



TIONGSENG
GROUP 长成控股

TIONG SENG HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Registration Number: 200807295Z)

Condensed Interim Financial Statements
For the Six Months and Full Year Ended 31 December 2025

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Condensed Interim Consolidated Statement of Comprehensive Income

	Note	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	Change %	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000	Change %
Revenue							
Revenue from construction contracts and engineering solutions	4	178,759	286,045	(38%)	297,925	526,626	(43%)
Revenue from sales of development properties	4	2,940	1,636	80%	2,940	9,417	(69%)
Rental Income		45	24	88%	50	190	(74%)
Other		68	58	17%	149	190	(22%)
		<u>181,812</u>	<u>287,763</u>	(37%)	<u>301,064</u>	<u>536,423</u>	(44%)
Other income	5	<u>14,745</u>	<u>4,454</u>	>100%	<u>16,178</u>	<u>11,741</u>	38%
Costs of construction contracts and engineering solutions		(175,689)	(272,562)	(36%)	(297,322)	(501,859)	(41%)
Costs of sales of development properties		(4,001)	(2,083)	92%	(4,813)	(7,603)	(37%)
Reversal of impairment loss on joint venture		-	1,974	(100%)	-	1,974	(100%)
Net impairment loss on:							
- contract assets		-	(543)	(100%)	-	(543)	(100%)
- amount due from non-controlling interest		(1,239)	-	100%	(1,239)	-	100%
- trade and other receivables		79	(1,249)	N.M	(625)	(1,249)	(50%)
		<u>(1,160)</u>	<u>(1,792)</u>	(35%)	<u>(1,864)</u>	<u>(1,792)</u>	4%
Allowance for diminution in value of development properties		(3,836)	-	100%	(3,836)	-	100%
Depreciation and amortisation		(2,582)	(2,370)	9%	(5,032)	(4,778)	5%
Selling expenses		(303)	(20)	>100%	(346)	(360)	(4%)
Staff costs		(8,017)	(7,834)	2%	(16,478)	(16,452)	1%
Other expenses		(10,260)	(7,617)	35%	(15,614)	(13,035)	20%
		<u>(205,848)</u>	<u>(292,304)</u>	(30%)	<u>(345,305)</u>	<u>(543,905)</u>	(37%)
(Loss)/profit from operating activities		(9,291)	(87)	>100%	(28,063)	4,259	N.M
Finance income		2,219	1,794	24%	2,575	4,122	(38%)
Finance costs		(5,029)	(2,541)	98%	(8,303)	(5,325)	56%
Net finance costs		<u>(2,810)</u>	<u>(747)</u>	>100%	<u>(5,728)</u>	<u>(1,203)</u>	>100%
Share of (loss)/profit of joint ventures, net of tax		<u>(154)</u>	<u>863</u>	N.M	<u>159</u>	<u>2,749</u>	(94%)
(Loss)/profit before tax	5	(12,255)	29	N.M	(33,632)	5,805	N.M
Tax expense	7	<u>(1,558)</u>	<u>(2,249)</u>	(31%)	<u>(874)</u>	<u>(2,975)</u>	(71%)
(Loss)/profit for the period/year		<u>(13,813)</u>	<u>(2,220)</u>	>100%	<u>(34,506)</u>	<u>2,830</u>	N.M

*N.M = Not Meaningful

Condensed Interim Consolidated Statement of Comprehensive Income (cont'd)

	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	Change %	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000	Change %
<u>Other comprehensive income</u>						
Items that are or may be reclassified subsequently to profit or loss:						
Translation differences relating to financial statements of foreign subsidiaries	2,643	(320)	N.M	(592)	(102)	>100%
Exchange differences on monetary items forming part of net investment in a foreign operation	1,477	(1,259)	N.M	(266)	(1,204)	(78%)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	1,136	(156)	N.M	1,136	(156)	N.M
Net change in fair value of equity investment at fair value through other comprehensive income	-	-	-	-	103	(100%)
Other comprehensive income for the period/year, net of tax	<u>5,256</u>	<u>(1,735)</u>	N.M	<u>278</u>	<u>(1,359)</u>	N.M
Total comprehensive income for the period/year	<u>(8,557)</u>	<u>(3,955)</u>	>100%	<u>(34,228)</u>	<u>1,471</u>	N.M
(Loss)/profit attributable to:						
Owners of the Company	(14,137)	(1,966)	>100%	(33,340)	2,858	N.M
Non-controlling interests	324	(254)	N.M	(1,166)	(28)	>100%
(Loss)/profit for the period/year	<u>(13,813)</u>	<u>(2,220)</u>	>100%	<u>(34,506)</u>	<u>2,830</u>	N.M
Total comprehensive income attributable to:						
Owners of the Company	(9,140)	(3,737)	>100%	(32,795)	1,426	N.M
Non-controlling interests	583	(218)	N.M	(1,433)	45	N.M
Total comprehensive income for the period/year	<u>(8,557)</u>	<u>(3,955)</u>	>100%	<u>(34,228)</u>	<u>1,471</u>	N.M
Earnings per share						
- Basic (cents) ¹	(3.07)	(0.45)	>100%	(7.25)	0.65	N.M
- Diluted (cents) ²	(3.07)	(0.43)	>100%	(7.25)	0.62	N.M

*N.M = Not Meaningful

¹The earnings per share net of non-controlling interests has been calculated based on 460,035,553 (2024: 441,076,649) weighted average number of shares excluding treasury shares.

²The earnings per share net of non-controlling interests has been calculated based on 461,076,649 (2024: 461,076,649) weighted average number of shares adjusted for the effects of all dilutive potential ordinary shares excluding treasury shares.

Condensed Interim Statements of Financial Position

	Note	Group		Company	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Non-current assets					
Property, plant and equipment	10	52,857	57,352	-	-
Intangible assets		1,382	1,342	-	-
Investment properties		790	1,209	-	-
Right-of-use assets		6,388	7,402	-	-
Subsidiaries		-	-	53,986	53,986
Joint ventures		15,506	16,344	-	-
Trade and other receivables		980	25,222	-	-
Amount due from related parties		-	2,548	-	-
Other investments		584	573	-	-
Deferred tax assets		2,199	2,254	-	-
		<u>80,686</u>	<u>114,246</u>	<u>53,986</u>	<u>53,986</u>
Current assets					
Inventories		8,975	3,648	-	-
Contract costs		382	173	-	-
Contract assets	11	56,504	46,785	-	-
Development properties	12	89,687	110,634	-	-
Trade and other receivables		68,743	41,651	251	1,949
Amount due from related parties		8,991	15,857	20,842	31,310
Cash and bank balances		12,486	35,776	42	314
		<u>245,768</u>	<u>254,524</u>	<u>21,135</u>	<u>33,573</u>
Assets held for sale	13	26,732	38,429	-	-
		<u>272,500</u>	<u>292,953</u>	<u>21,135</u>	<u>33,573</u>
Total assets		<u>353,186</u>	<u>407,199</u>	<u>75,121</u>	<u>87,559</u>
Share capital		183,867	181,947	183,867	181,947
Treasury shares		(4,906)	(4,906)	(4,906)	(4,906)
Reserves		(93,836)	(94,549)	(45,850)	(45,850)
Accumulated losses		(41,496)	(7,988)	(128,279)	(116,240)
		<u>43,629</u>	<u>74,504</u>	<u>4,832</u>	<u>14,951</u>
Non-controlling interests		686	2,119	-	-
Total equity		<u>44,315</u>	<u>76,623</u>	<u>4,832</u>	<u>14,951</u>
Non-current liabilities					
Trade and other payables		3,480	30,031	-	-
Loans and borrowings	15	6,797	8,335	-	-
Deferred tax liabilities		148	-	-	-
		<u>10,425</u>	<u>38,366</u>	<u>-</u>	<u>-</u>
Current liabilities					
Contract liabilities	11	17,375	53,149	-	-
Trade and other payables		190,388	143,048	642	894
Amount due to related parties		6,052	7,189	69,647	71,714
Loans and borrowings	15	82,221	84,426	-	-
Current tax payable		2,410	4,398	-	-
		<u>298,446</u>	<u>292,210</u>	<u>70,289</u>	<u>72,608</u>
Total liabilities		<u>308,871</u>	<u>330,576</u>	<u>70,289</u>	<u>72,608</u>
Total equity and liabilities		<u>353,186</u>	<u>407,199</u>	<u>75,121</u>	<u>87,559</u>

The accompanying notes form an integral part of these interim financial statements.

Condensed Interim Consolidated Statements of Changes in Equity

The Group	Note	← Attributable to owners of the Company →							Total \$'000	Non- controlling interests \$'000	Total equity \$'000
		Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Capital reserve \$'000	Statutory reserve \$'000	Foreign currency translation reserve \$'000	Accumulated loss \$'000			
At 1 January 2025		181,947	(4,906)	(77,720)	(9,156)	5,489	(13,162)	(7,988)	74,504	2,119	76,623
Total comprehensive income for the year											
Loss for the year		-	-	-	-	-	-	(33,340)	(33,340)	(1,166)	(34,506)
Other comprehensive income											
Translation differences relating to financial statements of foreign subsidiaries		-	-	-	-	-	(325)	-	(325)	(267)	(592)
Exchange differences on monetary items forming part of net investment in foreign operations		-	-	-	-	-	(266)	-	(266)	-	(266)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement		-	-	-	-	-	1,136	-	1,136	-	1,136
Total other comprehensive income		-	-	-	-	-	545	-	545	(267)	278
Total comprehensive income for the year		-	-	-	-	-	545	(33,340)	(32,795)	(1,433)	(34,228)
Transfer to merger reserve		-	-	168	-	-	-	(168)	-	-	-
Transaction with owners, recognised directly in equity											
<i>Contributions by and distributions to owners</i>											
Issue of ordinary shares	16	1,920	-	-	-	-	-	-	1,920	-	1,920
At 31 December 2025		183,867	(4,906)	(77,552)	(9,156)	5,489	(12,617)	(41,496)	43,629	686	44,315

The accompanying notes form an integral part of these interim financial statements.

Condensed Interim Consolidated Statements of Changes in Equity (cont'd)

The Group	← Attributable to owners of the Company →								Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Capital reserve \$'000	Statutory reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Accumulated loss \$'000			
At 1 January 2024	181,947	(4,906)	(77,720)	(9,345)	6,404	(103)	(12,744)	(10,455)	73,078	2,074	75,152
Total comprehensive income for the year											
Profit for the year	-	-	-	-	-	-	-	2,858	2,858	(28)	2,830
Other comprehensive income											
Translation differences relating to financial statements of foreign subsidiaries	-	-	-	-	-	-	(175)	-	(175)	73	(102)
Exchange differences on monetary items forming part of net investment in foreign operations	-	-	-	-	-	-	(1,204)	-	(1,204)	-	(1,204)
Realisation of exchange differences on monetary items previously forming part of net investment in a foreign operation transferred to income statement	-	-	-	-	-	-	(156)	-	(156)	-	(156)
Net change in fair value of equity investment at fair value through other comprehensive income	-	-	-	-	-	103	-	-	103	-	103
Total other comprehensive income	-	-	-	-	-	103	(1,535)	-	(1,432)	73	(1,359)
Total comprehensive income for the year	-	-	-	-	-	103	(1,535)	2,858	1,426	45	1,471
Transfer to statutory reserve	-	-	-	-	651	-	-	(651)	-	-	-
Transaction with owners, recognised directly in equity											
<i>Contributions by and distributions to owners</i>											
Liquidation of a subsidiary	-	-	-	189	(1,566)	-	1,117	260	-	-	-
At 31 December 2024	181,947	(4,906)	(77,720)	(9,156)	5,489	-	(13,162)	(7,988)	74,504	2,119	76,623

Tiong Seng Holdings Limited
For the Six Months and Full Year Ended 31 December 2025

Condensed Interim Consolidated Statements of Changes in Equity (cont'd)

The Company	Note	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2025		181,947	(4,906)	(45,850)	(116,240)	14,951
Total comprehensive income for the year						
Loss for the year		-	-	-	(12,039)	(12,039)
Transaction with owners, recognised directly in equity						
<i>Contributions by and distributions to owners</i>						
Issue of ordinary shares	16	1,920	-	-	-	1,920
At 31 December 2025		<u>183,867</u>	<u>(4,906)</u>	<u>(45,850)</u>	<u>(128,279)</u>	<u>4,832</u>
At 1 January 2024		181,947	(4,906)	(45,850)	(112,300)	18,891
Total comprehensive income for the year						
Loss for the year		-	-	-	(3,940)	(3,940)
At 31 December 2024		<u>181,947</u>	<u>(4,906)</u>	<u>(45,850)</u>	<u>(116,240)</u>	<u>14,951</u>

The accompanying notes form an integral part of these interim financial statements.

Condensed Interim Consolidated Statement of Cash Flows

	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000
Cash flows from operating activities		
(Loss)/profit from operating activities	(28,063)	4,259
Adjustments for:		
- Depreciation and amortisation	11,220	9,964
(Gain)/loss on disposal of:		
- property, plant and equipment	(416)	(312)
- other investments	-	(76)
- assets held for sales	1,915	(6,514)
Allowance for diminution in value of development properties	3,836	-
Impairment loss on:		
- contract assets	-	554
- trade receivables	704	1,391
- amount due from non-controlling interest	1,239	-
Reversal of impairment loss on:		
- contract assets	-	(11)
- property, plant and equipment	-	(2,462)
- joint venture	-	(1,974)
- trade receivables	(79)	(142)
Provisions	6,447	5,289
Bad debts written off	-	343
Operating cash flows before working capital changes	(3,197)	10,309
Inventories	(5,330)	640
Contract costs	(209)	727
Contract assets/liabilities	(45,493)	(52,441)
Development properties	16,916	5,179
Trade and other receivables	(1,185)	13,158
Trade and other payables	8,279	(23,813)
Balances with related parties (trade)	225	992
Cash used in operations	(29,994)	(45,249)
Tax paid	(2,699)	(2,256)
Net cash used in operating activities	(32,693)	(47,505)

The accompanying notes form an integral part of these interim financial statements.

Condensed Interim Consolidated Statement of Cash Flows (cont'd)

	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000
Cash flows from investing activities		
Interest received	163	828
Loan repayment from a joint venture	7,474	3,030
Payments for capital expenditure on intangible assets	(366)	(319)
Proceeds from disposal of:		
- property, plant and equipment	746	464
- other investments	-	433
- assets held for sales	10,200	9,995
Purchase of:		
- property, plant and equipment	(3,924)	(4,948)
- intangible assets	(69)	(310)
Net cash generated from investing activities	14,224	9,173
Cash flows from financing activities		
Interest paid	(2,433)	(5,360)
Payments of lease liabilities	(2,154)	(2,197)
Proceeds from issue share capital	1,920	-
Proceeds from loans and borrowings	67,839	80,782
Repayments of loans and borrowings	(70,587)	(109,913)
Net cash used in financing activities	(5,415)	(36,688)
Net decrease in cash and cash equivalents	(23,884)	(75,020)
Cash and cash equivalents at beginning of the year	35,776	112,578
Effect of exchange rate changes on balances held in foreign currencies	594	(1,782)
Cash and cash equivalents at end of the year	12,486	35,776

The accompanying notes form an integral part of these interim financial statements.

Notes to the Condensed Interim Consolidated Financial Statements

1 Corporate information

Tiong Seng Holdings Limited (the ‘Company’) (Registration Number 200807295Z) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The registered address of the Company is located at 30A Kallang Place #04-01 to #04-11, Singapore 339213.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group are building construction and civil engineering, provision of engineering solutions and property development.

2 Basis of preparation

The condensed consolidated interim financial statements for the year ended 31 December 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed consolidated interim financial statements do not include all the information required for complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The condensed consolidated interim financial statements have been prepared on a going concern basis, as at 31 December 2025, the Group is in a negative working capital position with net current liabilities of approximately \$25.9 million (30 June 2025: \$13.9 million)

Notwithstanding that the Group recorded a net loss attributable to owners of the Company of \$14.1 million for the financial year ended 31 December 2025, and as of that date, the Group’s and the Company’s current liabilities exceeded its current assets by \$25.9 million and \$49.2 million respectively, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the condensed consolidated interim financial statements for the year ended 31 December 2025 is appropriate after taking into consideration the following factors:

- a) Management has prepared a month-to-month cash flows forecast for the Group for the next 12 months from the date of these interim financial statements and assessed that there will be sufficient financial resources to allow the Group to continue its operations and meet its obligations due within the next 12 months from the date of these interim financial statements.

The cash flows forecast has considered the projected operating cash inflows from the construction projects including new construction projects that the Group is actively pursuing, the expected recoveries from variation orders (“VOs”) claims, ex-gratia claims, and reliefs under the COVID-19 (Temporary Measures) Act (“COTMA”). Management has also anticipated positive outcomes from ongoing final account negotiations with customers, suppliers, and sub-contractors, which are expected to further strengthen the Group’s cash position;

- b) the Group is continuing its ongoing and active marketing efforts to dispose its properties held-for-sale, namely, the Fan Yoong Property and the Pontian Land Parcels and expects to conclude the disposal within the next 12 months from the date of these interim financial statements;

- c) As at 30 January 2026, one of the construction subsidiaries, Tiong Seng Contractors (Private) Limited, (the ‘subsidiary’) entered into an amendment and restatement agreement with its existing lenders and restructured the remaining balance under its existing \$90 million loan facility. The details of the existing \$90 million loan facility were disclosed in the Company’s announcement dated 6 February 2025. Under this restated facility agreement,
- (i) the repayment of a portion of the existing loans, amounting of \$21.0 million, has been extended from 31 December 2025 to 30 June 2026;
 - (ii) there is a project credit facility available for \$24.0 million to finance both the existing and new construction projects, with the final repayment date in November 2027;
 - (iii) there is a bridging loan of \$30.0 million for working capital purpose, with the repayment date in December 2026.

Management believes that with the above loan facility arrangement, the Group is able to meet its short-term obligations as and when they fall due.

- d) the continuous support from the lenders to roll over the group’s revolving credits, which are secured by the Group’s properties.

The Company will continue to prudently monitor its cash flow to meet its operational needs as well as to service its debt obligations as and when they fall due. The Board will provide updates to shareholders via SGXNET as and when there are material developments on the aforementioned.

Accordingly, the Board confirmed that all material information has been fully disclosed by the Group to enable trading to continue on an informed basis.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed consolidated interim financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2025. The application of these standards and interpretations did not have a material effect on the condensed interim financial statements.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, there is no instance of application of judgments with significant updates since the audited financial statements as at 31 December 2024 and is expected to have a significant effect on the amounts recognised in the condensed interim financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 4.2 – Revenue and cost recognition from construction contracts
- Note 12 – Measurement of realisable amounts of development properties

Information about other judgements made and estimates applied are included in the following notes:

- Note 10 – Measurement of recoverable amounts of property, plant and equipment
- Note 14 – Recognition and measurement of provision

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group periodically reviews fair value measurements, including Level 3 fair values, where inputs are unobservable. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Group assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1* : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2* : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3* : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 9 - Accounting classifications and fair values.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they are located in different geographical areas and require different marketing strategies. For each of the strategic business unit, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

- **Construction:** Relates to acting as main contractors in construction and civil engineering projects and provision of construction and civil engineering services mainly to property developers and government in both private and public sectors.
- **Engineering solutions:** Relates to manufactures and supplies precast and prefabricated components as well as provision of steel and mass engineered timber works to main contractors in construction and civil engineering projects.
- **Property development:** Relates to development and sales of properties.

Other operations include rental, general corporate activities, and digital solutions.

4.1 Information about reportable segments

	Construction	Engineering	Property	Segments	Others	Elimination	Total
	\$'000	solutions	development	total	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 January 2025 to 31 December 2025							
External revenues	226,235	71,690	2,940	300,865	199	-	301,064
Inter-segment revenue	-	6,579	-	6,579	-	(6,579)	-
Interest income	484	2	102	588	102	(365)	325
Interest expenses	(3,720)	(824)	(100)	(4,644)	(111)	365	(4,390)
Compensation for the reacquisition of development site	-	-	13,342	13,342	-	-	13,342
Gain/(loss) on disposal of:							
- property, plant and equipment	416	-	-	416	-	-	416
- assets held for sales	(1,915)	-	-	(1,915)	-	-	(1,915)
Impairment loss on:							
- allowance for diminution in value of development properties	-	-	(3,836)	(3,836)	-	-	(3,836)
- trade and other receivables	(704)	-	-	(704)	-	-	(704)
- amount due from non-controlling interest	-	-	(1,239)	(1,239)	-	-	(1,239)
Reversal of impairment loss on trade and other receivables	79	-	-	79	-	-	79
Provision	(4,877)	-	(1,570)	(6,447)	-	-	(6,447)
Depreciation and amortisation	(5,671)	(4,853)	(442)	(10,966)	(254)	-	(11,220)
Reportable segment profit/(loss) before tax	(33,443)	1,287	1,972	(30,184)	(3,607)	-	(33,791)
Share of profit of joint ventures, net of tax							159
Loss before tax							(33,632)
Tax expenses							(874)
Loss for the year							(34,506)
Reportable segment assets	139,959	81,368	108,354	329,681	7,999	-	337,680
Investment in joint ventures	12,393	542	2,571	15,506	-	-	15,506
Total assets							353,186
Reportable segment liabilities	229,939	60,787	17,250	307,976	895	-	308,871
Capital expenditure	266	3,702	20	3,988	5	-	3,993

4.1 Information about reportable segments (cont'd)

	Construction \$'000	Engineering solutions \$'000	Property development \$'000	Segments total \$'000	Others \$'000	Elimination \$'000	Total \$'000
1 January 2024 to 31 December 2024							
External revenues	480,668	45,958	9,417	536,043	380	-	536,423
Inter-segment revenue	-	50,256	-	50,256	-	(50,256)	-
Interest income	910	2	9	921	229	(322)	828
Interest expenses	(4,157)	(1,077)	(207)	(5,441)	(241)	322	(5,360)
Gain/(loss) on disposal of:							
- property, plant and equipment	337	(25)	-	312	-	-	312
- assets held for sales	6,514	-	-	6,514	-	-	6,514
Impairment loss on:							
- contract assets	-	(554)	-	(554)	-	-	(554)
- trade and other receivables	-	(392)	-	(392)	(999)	-	(1,391)
Reversal of impairment loss on:							
- contract assets	-	11	-	11	-	-	11
- trade and other receivables	142	-	-	142	-	-	142
- joint venture	-	-	1,974	1,974	-	-	1,974
- property, plant and equipment	-	2,462	-	2,462	-	-	2,462
Provision	(13,258)	-	(294)	(13,552)	-	-	(13,552)
Reversal of provision	8,263	-	-	8,263	-	-	8,263
Depreciation and amortisation	(5,768)	(3,879)	(134)	(9,781)	(183)	-	(9,964)
Reportable segment profit/(loss) before tax	985	5,613	1,669	8,267	(5,211)	-	3,056
Share of profit of joint ventures, net of tax							2,749
Loss before tax							5,805
Tax expenses							(2,975)
Loss for the year							2,830
Reportable segment assets	181,179	65,707	134,569	381,455	9,400	-	390,855
Investment in joint ventures	11,667	556	4,121	16,344	-	-	16,344
Total assets							407,199
Reportable segment liabilities	262,439	48,175	18,797	329,411	1,165	-	330,576
Capital expenditure	1,359	3,323	515	5,197	61	-	5,258

4.1 Information about reportable segments (cont'd)

	Construction	Engineering	Property	Segments	Others	Elimination	Total
	\$'000	solutions	development	total	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2025 to 31 December 2025							
External revenues	129,901	48,858	2,940	181,699	113	-	181,812
Inter-segment revenue	-	4,283	-	4,283	-	(4,283)	-
Interest income	217	2	48	267	15	(120)	162
Interest expenses	(1,631)	(335)	-	(1,966)	(111)	120	(1,957)
Compensation for the reacquisition of development site	-	-	13,342	13,342	-	-	13,342
Gain/(loss) on disposal of:							
- property, plant and equipment	416	-	-	416	-	-	416
- assets held for sales	(1,915)	-	-	(1,915)	-	-	(1,915)
Impairment loss on:							
- allowance for diminution in value of development properties	-	-	(3,836)	(3,836)	-	-	(3,836)
- amount due from non-controlling interest	-	-	(1,239)	(1,239)	-	-	(1,239)
Reversal of impairment loss on trade and other receivables	79	-	-	79	-	-	79
Provision	(677)	-	(1,064)	(1,741)	-	-	(1,741)
Depreciation and amortisation	(2,870)	(2,801)	(223)	(5,894)	(176)	-	(6,070)
Reportable segment (loss)/profit before tax	(15,056)	1,722	3,918	(9,416)	(2,685)	-	(12,101)
Share of loss of joint ventures, net of tax							(154)
Loss before tax							(12,255)
Tax expense							(1,558)
Loss for the period							(13,813)

4.1 Information about reportable segments (cont'd)

	Construction \$'000	Engineering solutions \$'000	Property development \$'000	Segments total \$'000	Others \$'000	Elimination \$'000	Total \$'000
1 July 2024 to 31 December 2024							
External revenues	261,385	24,660	1,636	287,681	82	-	287,763
Inter-segment revenue	-	18,810	-	18,810	-	(18,810)	-
Interest income	192	2	(6)	188	(58)	(83)	47
Interest expenses	(1,792)	(480)	(34)	(2,306)	(171)	83	(2,394)
Gain/(loss) on disposal of property, plant and equipment	1,205	(49)	-	1,156	-	-	1,156
Impairment loss on:							
- contract assets	-	(554)	-	(554)	-	-	(554)
- trade and other receivables	-	(392)	-	(392)	-	-	(392)
Reversal of impairment loss on:							
- contract assets	-	11	-	11	-	-	11
- trade and other receivables	142	-	-	142	-	-	142
- joint venture	-	-	1,974	1,974	-	-	1,974
- property, plant and equipment	-	2,462	-	2,462	-	-	2,462
Provision	(896)	-	105	(791)	-	-	(791)
Reversal of provision	8,263	-	-	8,263	-	-	8,263
Depreciation and amortisation	(2,868)	(2,005)	(112)	(4,985)	(87)	-	(5,072)
Reportable segment (loss)/profit before tax	(3,714)	5,300	793	2,379	(3,213)	-	(834)
Share of profit of joint ventures, net of tax							863
Profit before tax							29
Tax expense							(2,249)
Loss for the period							(2,220)

4.2 Disaggregation of revenue

	Group						Total
	12 months ended 31 December 2025						
	Construction	Engineering	Property	Segments	Others	Elimination	
	\$'000	solutions	development	total	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Types of goods or services:							
Revenue from construction contracts and engineering solutions	226,235	78,269	-	304,504	-	(6,579)	297,925
Revenue from sales of development properties	-	-	2,940	2,940	-	-	2,940
Rental Income	-	-	-	-	50	-	50
Other	-	-	-	-	149	-	149
Total revenue	226,235	78,269	2,940	307,444	199	(6,579)	301,064
Timing of revenue recognition:							
At a point in time	-	65,947	2,940	68,887	50	(2,839)	66,098
Over time	226,235	12,322	-	238,557	149	(3,740)	234,966
Total revenue	226,235	78,269	2,940	307,444	199	(6,579)	301,064
Geographical information:							
Singapore	226,235	78,269	-	304,504	149	(6,579)	298,074
People's Republic of China (PRC)	-	-	2,940	2,940	50	-	2,990
Total revenue	226,235	78,269	2,940	307,444	199	(6,579)	301,064

4.2 Disaggregation of revenue (cont'd)

	Group						Total \$'000
	12 months ended 31 December 2024						
	Construction \$'000	Engineering solutions \$'000	Property development \$'000	Segments total \$'000	Others \$'000	Elimination \$'000	
Types of goods or services:							
Revenue from construction contracts and engineering solutions	480,668	96,214	-	576,882	-	(50,256)	526,626
Revenue from sales of development properties	-	-	9,417	9,417	-	-	9,417
Rental Income	-	-	-	-	190	-	190
Other	-	-	-	-	190	-	190
Total revenue	480,668	96,214	9,417	586,299	380	(50,256)	536,423
Timing of revenue recognition:							
At a point in time	-	68,552	9,417	77,969	-	(27,824)	50,145
Over time	480,668	27,662	-	508,330	380	(22,432)	486,278
Total revenue	480,668	96,214	9,417	586,299	380	(50,256)	536,423
Geographical information:							
Singapore	480,668	96,214	-	576,882	321	(50,256)	526,947
People's Republic of China (PRC)	-	-	9,417	9,417	-	-	9,417
Malaysia	-	-	-	-	59	-	59
Total revenue	480,668	96,214	9,417	586,299	380	(50,256)	536,423

4.2 Disaggregation of revenue (cont'd)

	Group						Total
	6 months ended 31 December 2025						
	Construction	Engineering	Property	Segments	Others	Elimination	
	\$'000	solutions	development	total	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Types of goods or services:							
Revenue from construction contracts and engineering solutions	129,901	53,141	-	183,042	-	(4,283)	178,759
Revenue from sales of development properties	-	-	2,940	2,940	-	-	2,940
Rental Income	-	-	-	-	45	-	45
Other	-	-	-	-	68	-	68
Total revenue	129,901	53,141	2,940	185,982	113	(4,283)	181,812
Timing of revenue recognition:							
At a point in time	-	44,248	2,940	47,188	45	(2,197)	45,036
Over time	129,901	8,893	-	138,794	68	(2,086)	136,776
Total revenue	129,901	53,141	2,940	185,982	113	(4,283)	181,812
Geographical information:							
Singapore	129,901	53,141	-	183,042	68	(4,283)	178,827
People's Republic of China (PRC)	-	-	2,940	2,940	45	-	2,985
Total revenue	129,901	53,141	2,940	185,982	113	(4,283)	181,812

4.2 Disaggregation of revenue (cont'd)

	Group						Total
	6 months ended 31 December 2024						
	Construction	Engineering	Property	Segments	Others	Elimination	
	\$'000	solutions	development	total	\$'000	\$'000	\$'000
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Types of goods or services:							
Revenue from construction contracts and engineering solutions	261,385	43,470	-	304,855	-	(18,810)	286,045
Revenue from sales of development properties	-	-	1,636	1,636	-	-	1,636
Rental Income	-	-	-	-	24	-	24
Other	-	-	-	-	58	-	58
Total revenue	261,385	43,470	1,636	306,491	82	(18,810)	287,763
Timing of revenue recognition:							
At a point in time	-	29,841	1,636	31,477	-	(7,583)	23,894
Over time	261,385	13,629	-	275,014	82	(11,227)	263,869
Total revenue	261,385	43,470	1,636	306,491	82	(18,810)	287,763
Geographical information:							
Singapore	261,385	43,470	-	304,855	82	(18,810)	286,127
People's Republic of China (PRC)	-	-	1,636	1,636	-	-	1,636
Total revenue	261,385	43,470	1,636	306,491	82	(18,810)	287,763

4.2 Disaggregation of revenue (cont'd)

Revenue and costs recognition from construction contracts

The Group recognises revenue from construction contracts progressively over time. Significant judgement is required in determining the stage of completion, the estimated total contract revenue and estimated total contract cost, as well as the recoverability of the contract cost incurred.

Estimation of total contract revenue also includes an estimation of the variation works that are recoverable from the customers. In making the judgement, the Group relies on past experience and/or the work of relevant professionals.

Estimated total contract cost for construction contract comprises direct costs attributable to the construction of works. In estimating the total budgeted costs for construction contracts, the Group makes reference to information such as the level of work content sub-contracted, fluctuations in the prices of raw materials, size, design and material specifications of the projects, cost overruns and savings, variation works requested by customers, current offers from contractors and suppliers, recent offers agreed with contractors and suppliers, and professional estimation on construction and material costs as well as its past experience.

Given the contractual nature of the business, VOs, additional works and prolongation costs are expected on a continual basis. As some of these items could be subjective and hence contentious in nature, the Group may from time to time be involved in arbitration or legal processes. As any such processes could be lengthy and outcome inherently uncertain where estimates, assumptions and significant judgement are involved, the carrying amount of the contract assets and retention sum receivables at the reporting date may invariably be affected by these outcomes.

4.3 Geographical segment

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The construction and property development segments are mainly domiciled in Singapore and the People's Republic of China (PRC) respectively.

	<u>Revenue from external customers</u>		<u>Non-current assets*</u>	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Singapore	298,074	526,947	55,002	61,104
People's Republic of China (PRC)	2,990	9,417	13,067	13,689
Papua New Guinea	-	-	2	3
Europe	-	-	97	90
Malaysia	-	59	8,755	8,763
	<u>301,064</u>	<u>536,423</u>	<u>76,923</u>	<u>83,649</u>

* The non-current asset consists of property, plant and equipment, intangible assets, investment properties, investment in joint ventures and right-of-use assets.

4.4 Major customers

During the financial period ended 31 December 2025 and 31 December 2024, revenue from major customers of the Group's construction segment amounted to approximately \$160,120,000 (2024: \$411,088,000). The details of these customers which individually contributed 10 percent or more of the Group's revenue during the finance year were as follows:

	31 December 2025		31 December 2024	
	\$'000	%	\$'000	%
Customer A	78,060	26	162,196	30
Customer B	50,022	17	105,136	20
Customer C	32,038	11	78,276	15
Customer D	-	-	65,480	12

5 (Loss)/profit before tax

The following items have been included in arriving at (loss)/profit before tax for the period/year:

	Group			Group		
	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	Change %	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000	Change %
(a) Other incomes include						
(Loss)/gain on disposal of:						
- property, plant and equipment	(36)	1,156	N.M	416	312	33%
- other investments	-	76	(100%)	-	76	(100%)
- assets held for sales	-	-	-	-	6,514	(100%)
Compensation for the reacquisition of development site	13,342	-	100%	13,342	-	100%
Scrap parts and materials	611	485	26%	894	808	11%
Government grants:						
- BCA grant	-	287	(100%)	-	287	(100%)
- others	15	114	(87%)	51	130	(61%)
Training and testing fee income	354	2,523	(86%)	465	2,551	(82%)
Management fees	60	11	>100%	368	36	>100%
Subscription fees	68	59	15%	149	191	(22%)
Compensation of early termination contract	-	429	(100%)	-	429	(100%)

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5 (Loss)/profit before tax (cont'd)

	Group			Group		
	6 months ended 31 December 2025 \$'000	6 months ended 31 December 2024 \$'000	Change %	12 months ended 31 December 2025 \$'000	12 months ended 31 December 2024 \$'000	Change %
(b) Other expenses include						
Impairment loss on:						
- contract assets	-	554	(100%)	-	554	(100%)
- trade and other receivables	-	1,391	(100%)	704	1,391	(49%)
- amount due from non-controlling interest	1,239	-	100%	1,239	-	100%
Loss on disposal of assets held for sales	1,915	-	100%	1,915	-	100%
Reversal of impairment loss on:						
- contract assets	-	(11)	(100%)	-	(11)	(100%)
- trade and other receivables	(79)	(142)	(44%)	(79)	(142)	(44%)
- joint venture	-	(1,974)	(100%)	-	(1,974)	(100%)
Fine and penalty	466	4	>100%	468	5	>100%
Bad debts written off	-	343	(100%)	-	343	(100%)
(c) Finance income and costs						
Interest income on:						
- cash and cash equivalents	(162)	(49)	>100%	(325)	(828)	(61%)
Interest expenses on:						
- bank loans	1,731	2,080	(14%)	4,004	4,927	(19%)
- lease liabilities	226	315	(28%)	386	433	(11%)
Exchange loss/(gain) - net	555	(1,116)	N.M	1,202	(1,330)	N.M

6 Related party transactions

Other than as disclosed elsewhere in the condensed interim financial statements, there were the following significant related party transactions during the period:

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Affiliated corporations				
Lease of storage space	-	12	-	271
Hiring charges	854	2,922	1,947	6,115
Sale of tiles and dormitory items	3	-	3	-
Supplies of construction manpower services and materials	139	-	139	-
Consultancy fees	-	500	500	1,000
<hr/>				
Joint venture				
Construction revenue	-	(13,251)	-	(15,170)
<hr/>				

7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	Group			
	6 months	6 months	12 months	12 months
	ended 31	ended 31	ended 31	ended 31
	December	December	December	December
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Tax recognised in profit or loss				
Current tax				
Current period	1,413	(50)	2,343	153
Changes in estimate related to prior periods	97	8	246	59
	<hr/>	<hr/>	<hr/>	<hr/>
	1,510	(42)	2,589	212
Deferred tax				
Changes in estimate related to prior periods	48	(772)	72	(669)
<hr/>				
Land appreciation tax				
Current period	-	3,063	-	3,432
Changes in estimate related to prior periods	-	-	(1,787)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	(1,787)	-
<hr/>				
Tax expense	<hr/>	<hr/>	<hr/>	<hr/>
	1,558	2,249	874	2,975
<hr/>				

8 Net asset value

	Group		Company	
	31 December 2025 (cents)	31 December 2024 (cents)	31 December 2025 (cents)	31 December 2024 (cents)
Net asset value per ordinary share based on issued share capital at the end of:	9.46	16.89	1.05	3.39

The net asset value per ordinary share, net of non-controlling interests and excluding treasury shares, has been calculated based on 461,076,649 shares as at 31 December 2025 (31 December 2024: 441,076,649 shares).

9 Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, for the current period the fair value disclosure of lease liabilities is also not required.

	Carrying amount			Fair value			
	FVOCI - equity instruments \$'000	Amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group							
31 December 2025							
Financial assets measured at fair value							
Quoted equity investments – at FVOCI	22	-	22				
Unquoted equity investments – at FVOCI	165	-	165				
	187	-	187				
Financial assets not measured at fair value							
Trade and other receivables*	-	65,464	65,464				
Amount due from related parties	-	8,991	8,991				
Cash and bank balances	-	12,486	12,486				
	-	86,941	86,941				
Financial liabilities not measured at fair value							
Amount due to related parties	-	(6,052)	(6,052)				
Trade and other payables**	-	(179,283)	(179,283)				
Loans and borrowings***	-	(80,674)	(80,674)	-	(77,721)	-	(77,721)
	-	(266,009)	(266,009)				

* Excluded tax prepayments, deposits and prepayments and advances to suppliers

** Excluded GST payables and deferred income and provisions

*** Excluded lease liabilities

9 Accounting classifications and fair values (cont'd)

	Carrying amount			Fair value			
	FVOCI - equity instruments \$'000	Amortised cost \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Group							
31 December 2024							
Financial assets measured at fair value							
Quoted equity investments – at FVOCI	22	-	22				
Unquoted equity investments – at FVOCI	145	-	145				
	167	-	167				
Financial assets not measured at fair value							
Trade and other receivables*	-	62,446	62,446				
Amount due from related parties	-	18,405	18,405				
Cash and cash equivalents	-	35,776	35,776				
	-	116,627	116,627				
Financial liabilities not measured at fair value							
Amount due to related parties	-	(7,189)	(7,189)				
Trade and other payables**	-	(157,542)	(157,542)				
Loans and borrowings***	-	(83,401)	(83,401)				
	-	(248,132)	(248,132)	-	(80,348)	-	(80,348)

* Excluded tax prepayments, deposits and prepayment and advances to suppliers

** Excluded GST payables and deferred income and provisions

*** Excluded lease liabilities

9 Accounting classifications and fair values (cont'd)

	<u>Carrying amount</u>	
	<u>Amortised cost \$'000</u>	<u>Total \$'000</u>
<u>Company</u>		
31 December 2025		
Financial assets not measured at fair value		
Trade and other receivables*	205	205
Amount due from related parties	20,842	20,842
Cash and cash equivalents	42	42
	<u>21,089</u>	<u>21,089</u>
Financial liabilities not measured at fair value		
Trade and other payables	(642)	(642)
Amount due to related parties	(69,647)	(69,647)
	<u>(70,289)</u>	<u>(70,289)</u>
31 December 2024		
Financial assets not measured at fair value		
Trade and other receivables*	1,906	1,906
Amount due from related parties	31,310	31,310
Cash and cash equivalents	314	314
	<u>33,530</u>	<u>33,530</u>
Financial liabilities not measured at fair value		
Trade and other payables	(894)	(894)
Amount due to related parties	(71,714)	(71,714)
	<u>(72,608)</u>	<u>(72,608)</u>

* Excluded deposits and prepayment

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

<u>Type</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between key unobservable inputs and fair value measurement</u>
<i>Financial instruments measured at fair value – Group</i>			
Unquoted equity investments – at FVOCI	The fair value of the equity investments is the net asset value of the investee entity adjusted for the fair value of the underlying properties, where applicable	Net asset value*	The estimated fair value varies directly with the net asset value of the entity.

9 Accounting classifications and fair values (cont'd)

Measurement of fair values (cont'd)

(i) Valuation techniques and significant unobservable inputs (cont'd)

<u>Type</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter-relationship between key unobservable inputs and fair value measurement</u>
<i>Financial instruments not measured at fair value – Group and Company</i>			
Loan and borrowings	Discounted cash flows	Not applicable	Not applicable

* Where the underlying investment is in equity shares of an entity, management relies on yearly unaudited financial statements for the determination of fair value. The underlying assets and liabilities are mainly short-term in nature, hence management has determined that the carrying value approximates fair value.

(ii) Transfers between Level 1 and 2

There were no transfers between Level 1 and 2 in 2025 and 2024.

(iii) Level 3 fair value

The following table shows the reconciliation from the opening balances to the ending balances for Level 3 fair values:

	Group Unquoted equity investments – at FVOCI \$'000
At 1 January 2025	145
Net change in fair value	20
As at 31 December 2025	<u>165</u>
At 1 January 2024	245
Net change in fair value	(100)
At 31 December 2024	<u>145</u>

Sensitivity analysis

There is no sensitivity analysis prepared as the Group's exposure to the effect on fair value changes for 2025 and 2024 are insignificant.

10 Property, plant and equipment

During the financial year, the Group acquired assets amounting to \$3,924,000 (31 December 2024: \$3,317,000) and disposed assets amounting to \$746,000 (31 December 2024: \$2,288,000).

Measurement of recoverable amounts of property, plant and equipment

The Group reviews the carrying amounts of property, plant and equipment as at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. Determining the recoverable amount requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of the assets. This requires the Group to make estimates and assumptions that can materially affect the financial statements.

The Group estimated recoverable amount of property, plant and equipment, based on fair value less cost to sell method. The critical assumptions used for assessing the fair value of leasehold land, freehold land and leasehold properties included selling price per square metre based on recent market transactions for comparable property and adjusted for property size. The critical assumptions used for assessing the fair value of plant and machinery included the selling price for similar items, adjusted for machine age. The Group determined that the estimated recoverable amount of property, plant and equipment exceeded its carrying amount and no impairment losses were recognised.

11 Contract assets and contract liabilities

The following table provides information about contract assets and contract liabilities from contracts with customers.

	Group	
	31 December	31 December
	2025	2024
	\$'000	\$'000
Contract assets	56,504	46,785
Contract liabilities	<u>(17,375)</u>	<u>(53,149)</u>

The contract assets relate to the Group's right to consideration for work completed but not billed at the reporting date in respect of its construction and engineering solutions businesses. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the customer certifies the progress claims.

The contract liabilities relate to:

- advanced consideration received from customers from sale of development properties; and
- progress billings issued in excess of the Group's rights to the consideration in respect of its construction and engineering solutions businesses.

12 Development properties

	Group	
	31 December 2025 \$'000	31 December 2024 \$'000
(a) Properties under development, for which revenue is to be recognised at a point in time		
Land and land related costs	38,880	58,655
Development costs	30,800	28,600
	<u>69,680</u>	<u>87,255</u>
Allowance for diminution in value	(27,234)	(24,133)
Properties under development	<u>42,446</u>	<u>63,122</u>
(b) Completed development properties, at cost	48,420	48,775
Allowance for diminution in value	(1,179)	(1,263)
Completed development properties	<u>47,241</u>	<u>47,512</u>
Total development properties	<u>89,687</u>	<u>110,634</u>

Allowance for diminution in value

Movement in allowance for diminution in value was as follows:

	Group	
	31 December 2025 \$'000	31 December 2024 \$'000
At 1 January	25,396	31,901
Allowance recongised	3,836	-
Utilisation during the year	(487)	(6,453)
Translation differences on consolidation	(332)	(52)
At 31 December	<u>28,413</u>	<u>25,396</u>

The Group's properties under development and completed development properties are stated at the lower of cost and net realisable value. Taking into consideration the expected selling prices for the project based on external independent professional valuations undertaken or recent selling prices for the development projects and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion in case for properties under development and the costs to be incurred in selling the properties based on prevailing market conditions. If there is a decrease in net sales value, the net realisable value will decrease. Changes in the estimates of the costs to completion and the estimated selling price would also have an effect on the determination of diminution in value for each project. Such allowance requires the use of judgement and estimates.

12 Development properties (cont'd)

During the year, the Group engaged an independent professional valuer to value one of its development properties in People's Republic of China (PRC). The valuation was undertaken by the independent professional valuer who has appropriate recognised professional qualifications and recent experience in the location and category of the development properties being valued. The valuation was based on the comparable sales method, taking into consideration of the recent selling price per square meter for comparable properties and prevailing property market conditions. The key assumption used in the valuation is estimated selling price per square meter of the subject properties. Based on the valuation, there is no impairment loss recognised during the year.

Where the expectation is different from the original estimate, the carrying value and allowance for diminution in value on properties in the period in which such estimate is made will be adjusted accordingly. In addition, given the volatility of the People's Republic of China (PRC) property market and the unique nature of individual properties, the actual outcome in terms of costs and revenue may be higher or lower than estimated at the reporting date. Any increase or decrease in the allowance would affect profit or loss in future years.

During the year financial, completed development properties of \$4,813,000 (2024: \$7,603,000) were recognised as an expense and included in "Cost of sales of development properties".

13 Assets held for sale

In December 2025, the Group has committed to sell certain properties. The sales are expected to be completed in the next 12 months and accordingly, these properties are presented as assets held for sale.

The details of the properties classified as assets held for sale as at 31 December were:

Description	Category	Group	
		31 December 2025 \$'000	31 December 2024 \$'000
6 Tuas South Street 11	Leasehold land and property. It has been disposed in year 2025		
Pontian land	Freehold land		
Fang Yoong building	Leasehold land and property		
6 Tuas South Street 11		-	12,115
Pontian land		9,932	9,514
Fan Yoong building		16,800	16,800
		<u>26,732</u>	<u>38,429</u>

14 Provisions

Included in trade and other payables are provisions as disclosed below.

	Provision for penalties \$'000	Provision for onerous contracts \$'000	Total \$'000
Group			
At 1 January 2024	8,500	27,003	35,503
Provision made during the year	294	13,258	13,552
Reversal of provision during the year	-	(8,263)	(8,263)
Utilisation during the year	(2,178)	(23,980)	(26,158)
At 31 December 2024	<u>6,616</u>	<u>8,018</u>	<u>14,634</u>
At 1 January 2025	6,616	8,018	14,634
Provision made during the year	1,570	4,877	6,447
Utilisation during the year	-	(11,404)	(11,404)
At 31 December 2025	<u>8,186</u>	<u>1,491</u>	<u>9,677</u>

The provisions for penalties and onerous contracts made during the period have been included in “Cost of sales of development properties”, “Other expenses” and “Cost of construction contracts and engineering solutions” respectively.

Provision for penalties was made for late completion of development and administrative fine in connection to one of the People's Republic of China (PRC) development projects.

Provisions for onerous contracts relate to expected losses arising from non-cancellable construction contracts where the expected total contract costs exceed the total contract sums and are expected to be materialised as these contracts progress towards completion. The Group conducts critical review of all its contracts regularly. The Group monitors and reviews the progress of all the contracts, taking into consideration inputs from internal project managers and external customers in estimating these total contract costs to complete as well as in the evaluation of any potential risks and factors which may affect contract price, cost and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

15 Loans and borrowings

	Group	
	31 December 2025 \$'000	31 December 2024 \$'000
Amount repayable within one year or on demand		
Secured bank loans	72,770	72,421
Lease liabilities	2,281	2,021
Secured bank loans associated with assets held for sale	6,032	8,779
Lease liabilities associated with assets held for sale	1,138	1,205
	<u>82,221</u>	<u>84,426</u>

15 **Loans and borrowings (cont'd)**

	Group	
	31 December 2025	31 December 2024
	\$'000	\$'000
Amount repayable after one year		
Secured bank loans	1,872	2,201
Lease liabilities	4,925	6,134
	6,797	8,335
 Total loans and borrowings	 89,018	 92,761

The secured bank loans are secured on the following assets:

Carrying amounts of assets:

Leasehold land	3,644	3,748
Freehold land	3,614	3,588
Leasehold properties	16,830	17,735
Plant and machinery	256	446
Assets held for sale	26,732	38,429
Total	51,076	63,946

The secured bank loans are also secured by assignment of rights, interests and benefits in connection with construction contracts and engineering solutions.

As at 30 January 2026, one of the construction subsidiaries, Tiong Seng Contractors (Private) Limited, (the 'subsidiary') entered into an amendment and restatement agreement with its existing lenders and restructured the remaining balance under its existing \$90 million loan facility. The details of the existing \$90 million loan facility were disclosed in the Company's announcement dated 6 February 2025. Under this restated facility agreement,

- a. the repayment of a portion of the existing loans, amounting of \$21.0 million, has been extended from 31 December 2025 to 30 June 2026;
- b. there is a project credit facility available for \$24.0 million to finance both the existing and new construction projects, with the final repayment date in November 2027;
- c. there is a bridging loan of \$30.0 million for working capital purpose, with the repayment date in December 2026.

Under the restated facility agreement, the Group is required to comply with, inter alia, the following covenants:

- (i) a Consolidated Tangible Net Worth (computed as the aggregate of the paid-up share capital of the Group and the amount standing to the credit of the reserves of the Group, less goodwill and other intangible assets, amounts set aside for tax, minority interests and any dividend or other distribution declared, recommended or made by the Group) of not less than \$50 million as at each of 30 June and 31 December;
- (ii) a Consolidated Leverage Ratio (the ratio of consolidated total debt to Consolidated Tangible Net Worth) of not more than 2.5 times as at each of 30 June and 31 December; and

- (iii) a minimum outstanding order book balance of \$600 million at all times during the period from 30 June 2026 to 30 December 2026 and \$800 million at all times during the period from 31 December 2026 onwards.

The test date for the above covenants is on a half-yearly basis commencing in June 2026.

16 Share capital

	31 December 2025		31 December 2024	
	No of shares	\$'000	No of shares	\$'000
Issued and fully paid ordinary shares				
As at 1 January, including treasury shares	459,623,849	181,947	459,623,849	181,947
Issuance of ordinary shares	20,000,000	1,920	-	-
	<u>479,623,849</u>	<u>183,867</u>	<u>459,623,849</u>	<u>181,947</u>
Less: Treasury shares	(18,547,200)	(4,906)	(18,547,200)	(4,906)
As at 31 December, excluding treasury shares	<u>461,076,649</u>	<u>178,961</u>	<u>441,076,649</u>	<u>177,041</u>

The Company held 18,547,200 treasury shares as at 31 December 2025 (18,547,200 treasury shares as at 31 December 2024) which represent 3.87% (4.20% as at 31 December 2024) of the total number of issued shares of the Company, excluding treasury shares.

On 20 January 2025, the Company completed a placement of 20,000,000 new ordinary shares in its capital at an issue price of \$0.10 per share, for an aggregate consideration of \$2 million.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company did not have any outstanding options or convertibles as at end of the current financial period reported on and as at the end of corresponding period of the immediately preceding financial year.

17 Significant commitments

Commitments of the Group not reflected in the condensed interim consolidated financial statements at the respective reporting dates are as follows:

	Group	
	31 December 2025	31 December 2024
	\$'000	\$'000
Development costs contracted but not provided for:		
- subsidiaries	11,423	13,771

18 Financial guarantee

	Company	
	31 December	31 December
	2025	2024
	\$'000	\$'000
Significant issued financial guarantees to certain financial institutions in respect of banking facilities (inclusive of guaranteed performance bonds) for its subsidiaries	374,547	452,962

Other Information Required by Listing Rule Appendix 7.2

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

2. Whether the figures have been audited or reviewed, the auditors' report (including any modification or emphasis of a matter).

Not Applicable.

3. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information for the current financial year reported on have been prepared using the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2024.

4. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all new and revised Singapore Financial Standards (International) ("SFRS(I)") issued by the Accounting Standards Council that are relevant to the Group and effective for financial year beginning on 1 January 2025.

The adoption of the new SFRS(I)s, amendments and interpretations of SFRS(I)s does not result in any substantial change to the Group's accounting policies and has no material impact on the financial statements of the Group for the current reporting period or the prior year's reporting period.

5. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of The Group's Performance for 2H2025 vs 2H2024

Overview

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	6 Months Ended 31 December 2025					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	129,901	53,141	2,940	113	(4,283)	181,812
Costs	(134,939)	(46,500)	(3,994)	-	5,743	(179,690)
Gross (loss)/profit	(5,038)	6,641	(1,054)	113	1,460	2,122
Other income	2,243	492	13,313	115	(1,418)	14,745
Allowance for diminution in value of development properties	-	-	(3,836)	-	-	(3,836)
Depreciation and amortisation	(2,010)	(224)	(172)	(176)	-	(2,582)
Selling expenses	-	-	(303)	-	-	(303)
Staff costs	(4,459)	(2,622)	(739)	(197)	-	(8,017)
Impairment loss and other expenses	(4,242)	(2,031)	(3,691)	(1,414)	(42)	(11,420)
(Loss)/profit from operating activities	(13,506)	2,256	3,518	(1,559)	-	(9,291)

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	6 Months Ended 31 December 2024					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	261,385	43,470	1,636	82	(18,810)	287,763
Costs	(259,807)	(33,281)	(2,083)	-	20,526	(274,645)
Gross profit/(loss)	1,578	10,189	(447)	82	1,716	13,118
Other income	5,685	584	49	(58)	(1,806)	4,454
Depreciation and amortisation	(1,945)	(209)	(129)	(87)	-	(2,370)
Selling expenses	-	-	(20)	-	-	(20)
Staff costs	(4,510)	(2,708)	(309)	(307)	-	(7,834)
Impairment loss and other expenses	(3,488)	(2,406)	1,374	(3,005)	90	(7,435)
(Loss)/profit from operating activities	(2,680)	5,450	518	(3,375)	-	(87)

As a whole, the Group reported an operating loss in 2H2025 of \$9.3 million, compared to an operating loss of \$0.1 million in 2H2024. The loss in 2H2025 was primarily attributed to loss generated from the construction segment partially offset by an operating profit in engineering solutions and the property development segments after including the one-off compensation of for the reacquisition of development site.

Revenue from construction, engineering solutions and property development segments

The Group's revenue decreased by approximately \$106.0 million from \$287.8 million in 2H2024 to \$181.8 million in 2H2025, the decline was primarily due to the conclusive end of construction projects secured pre-pandemic.

Gross loss in construction segment

Gross loss of approximately \$5.0 million in 2H2025, compared to a gross profit of \$1.6 million in 2H2024. The loss was mainly due to a slower than expected speed in securing the Temporary Occupation Permits ("TOPs") for its last 2 legacy contracts. For such legacy contracts, the Construction Segment has fully incurred and recognised the VOs costs in 2H2025, with certain VOs revenue expected to only be recognised upon formal finalisation of accounts with its clients in the near future.

Gross profit in engineering solutions segment

The gross profit margin was approximately 12.5% in 2H2025, compared to a gross profit margin of 23.4% in 2H2024. This was mainly due to differences in profitability and stages of work progress from various projects over the two periods.

Gross loss in property development segment

Gross loss of approximately \$1.1 million in 2H2025, compared to a gross loss of \$0.4 million in 2H2024 was mainly due to costs incurred from the delayed completion of the Equinox project.

Other income

Other income increased by approximately \$10.2 million, from \$4.5 million in 2H2024 to \$14.7 million in 2H2025, mainly due to compensation of \$13.3 million for the reacquisition of state-owned land and buildings in Zizhulin, Tianjin.

Impairment loss and other expenses

Included in impairment and other expense is the allowance for diminution in value of development properties in 2H2025 amounted to \$3.8 million. The increase in allowance for diminution in value of development properties in 2H2025 was mainly attributable to management's reassessment of the net realisable value ("NRV") of certain development properties, taking into account updated estimated selling prices, construction costs to completion and prevailed market conditions.

Other expenses increased by approximately \$4.0 million, from \$7.4 million in 2H2024 to \$11.4 million in 2H2025, mainly due to an impairment loss on amount due from non-controlling interest of \$1.2 million, a loss on disposal of assets held for sale of \$1.9 million and the absence of a reversal of impairment of a joint venture of \$1.9 million, partially offset by lower professional fees for the bank loan facility of \$1.2 million.

Net finance costs

Net finance cost increased by approximately \$2.1 million, from \$0.7 million in 2H2024 to \$2.8 million in 2H2025, mainly due to lower interest income and the record of exchange losses in 2H2025, as compared to exchange gains in 2H2024.

Share of (loss)/profit of joint ventures, net of tax

The Group registered a share of loss from joint ventures by approximately \$0.2 million in 2H2025, compared to a share of profit of approximately \$0.9 million in 2H2024. The loss in 2H2025 was mainly due to loss from certain construction projects in 2H2025 recognised by joint ventures.

Loss for the period

As a result of the foregoing, 2H2025 reported a loss after tax of approximately \$13.8 million as a result of the factors mentioned in the preceding paragraphs.

Review of The Group's Performance for FY2025 vs FY2024

Overview

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	12 Months Ended 31 December 2025					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	226,235	78,269	2,940	199	(6,579)	301,064
Costs	(238,793)	(68,030)	(4,813)	-	9,501	(302,135)
Gross (loss)/profit	(12,558)	10,239	(1,873)	199	2,922	(1,071)
Other income	4,444	913	13,421	370	(2,970)	16,178
Allowance for diminution in value of development properties	-	-	(3,836)	-	-	(3,836)
Depreciation and amortisation	(3,916)	(470)	(387)	(259)	-	(5,032)
Selling expenses	-	-	(346)	-	-	(346)
Staff costs	(9,506)	(5,032)	(1,121)	(819)	-	(16,478)
Impairment loss and other expenses	(7,607)	(3,412)	(4,232)	(2,275)	48	(17,478)
(Loss)/profit from operating activities	(29,143)	2,238	1,626	(2,784)	-	(28,063)

	<u>Construction</u>	<u>Engineering</u>	<u>Property</u>	<u>Others</u>	<u>Elimination</u>	<u>Total</u>
		<u>Solution</u>	<u>Development</u>			
	12 Months Ended 31 December 2024					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	480,668	96,214	9,417	380	(50,256)	536,423
Costs	(473,498)	(82,262)	(7,603)	-	53,901	(509,462)
Gross profit	7,170	13,952	1,814	380	3,645	26,961
Other income	13,459	1,823	168	116	(3,825)	11,741
Depreciation and amortisation	(4,042)	(414)	(139)	(183)	-	(4,778)
Selling expenses	-	-	(360)	-	-	(360)
Staff costs	(9,658)	(4,988)	(637)	(1,169)	-	(16,452)
Other expenses	(5,534)	(3,664)	690	(4,525)	180	(12,853)
Profit/(loss) from operating activities	1,395	6,709	1,536	(5,381)	-	4,259

As a whole, the Group reported an operating loss in FY2025 of \$28.1 million, compared to an operating profit of \$4.3 million in FY2024. The loss in FY2025 was primarily attributed to loss generated from the construction segment partially offset by an operating profit in engineering solutions and the property development segments after including the one-off compensation for the reacquisition of development site.

Revenue from construction, engineering solutions and property development segments

The Group's revenue decreased by approximately \$235.3 million from \$536.4 million in FY2024 to \$301.1 million in FY2025, the decline was primarily due to the conclusive end of construction projects secured pre-pandemic.

Revenue from the property development segment amounted to \$2.9 million in FY2025 mainly attributable from the sale recognition of 8 units from Equinox Project. In FY2024, revenue amounted to \$9.4 million mainly contributed from the sale recognition of 2 units from Tranquility Project and 10 units from Equinox Project.

As at 31 December 2025, approximately \$2.0 million of gross development value were sold, but yet to be recognised as revenue in accordance to our revenue recognition policy, as follows:

Projects		Total	Total Launch	Sold and recognised	Sold but yet to be recognised	Unsold Inventories	Future Launch	ASP^ psm for units sold but yet to be recognised (RMB)
Equinox	Units	Note 1	565	456	4	105	Note 1	11,981
	Area ('000 sqm)	172	109	90	1	18	63	
Tranquility	Units	636	636	636	-	-	-	-
	Area ('000 sqm)	100	100	100	-	-	-	

Note 1: Products for subsequent phases to be finalized on accordance to market demand

^ Average selling price

Gross loss in construction segment

Gross loss of approximately \$12.6 million in FY2025, compared to a gross profit of \$7.2 million in FY2024. The loss was mainly due to lower revenue and a slower than expected speed in securing the Temporary Occupation Permits (“TOPs”) for its last 2 legacy contracts. For such legacy contracts, the Construction Segment has fully incurred and recognised the VOs costs in FY2025, with certain VOs revenue expected to only be recognised upon formal finalisation of accounts with its clients in the near future.

Gross profit in engineering solutions

The gross profit margin was approximately 13.1% in FY2025, compared to a gross profit of 14.5% in FY2024. This was mainly due to differences in profitability and stages of work progress from various projects over the two periods.

Gross loss in property development segment

Gross loss of approximately \$1.9 million in FY2025, compared to a gross profit of \$1.8 million in FY2024 was mainly due to costs incurred from the delayed completion of the Equinox project.

Other income

Other income increased by approximately \$4.5 million, from \$11.7 million in FY2024 to \$16.2 million in FY2025, mainly due to compensation of \$13.3 million for the reacquisition of state-owned land and buildings in Zizhulin, Tianjin.

Impairment loss and other expenses

The allowance for diminution in value of development properties in FY2025 amounted to \$3.8 million. The increase in allowance for diminution in value of development properties in 2H2025 was mainly attributable to management's reassessment of the NRV of certain development properties, taking into account updated estimated selling prices, construction costs to completion and prevailed market conditions.

Other expenses increased by approximately \$4.6 million, from \$12.9 million in FY2024 to \$17.5 million in FY2025, mainly due to an impairment loss on non-trade amounts due from related parties of \$1.2 million, a loss on disposal of assets held for sale of \$1.9 million and the absence of a reversal of impairment of a joint venture of \$1.9 million, partially offset by lower professional fees for the bank loan facility of \$1.2 million.

Net finance costs

Net finance cost increased by approximately \$4.5 million, from \$1.2 million in FY2024 to \$5.7 million in FY2025, mainly due to lower interest income and the record of exchange losses in FY2025, as compared to exchange gains in FY2024.

Share of profit of joint ventures, net of tax

The Group registered a lower share of profit from joint ventures by approximately \$2.6 million from \$2.8 million in FY2024 to \$0.2 million in FY2025 due mainly to lower contribution from certain joint venture projects.

Loss for the year

As a result of the foregoing, FY2025 reported a loss after tax of approximately \$34.5 million as a result of the factors mentioned in the preceding paragraphs.

Review of The Group's Financial Position

Non-current assets

Non-current assets decreased by approximately \$33.5 million from \$114.2 million as at 31 December 2024 to \$80.7 million as at 31 December 2025. The decreased in non-current assets was mainly due to:

- (i) Decrease in trade and other receivables by approximately \$24.2 million from \$25.2 million to \$1.0 million due to reclassification of retention sum receivables for completed projects;
- (ii) Decrease in investment properties by approximately \$0.4 million from \$1.2 million to \$0.8 million due to depreciation incurred for the period.
- (iii) Decrease in property, plant and equipment by approximately \$4.5 million from \$57.4 million to \$52.9 million due to depreciation incurred for the period.
- (iv) Decrease in right-of-use by approximately \$1.0 million from \$7.4 million to \$6.4 million due to depreciation incurred for the period.

Current assets

Current assets decreased by approximately \$20.5 million from \$293.0 million as at 31 December 2024 to \$272.5 million as at 31 December 2025. The decreased in current assets was mainly due to:

- (i) Decrease in development properties by approximate \$20.9 million to \$89.7 million as at 31 December 2025 was mainly due to allowance for diminution in value made and revenue recognition partially offset by development cost incurred for the same period;
- (ii) Decrease in cash and bank balances by approximately \$23.3 million to \$12.5 million as at 31 December 2025 was mainly due to negative operating cash flow generated and payment for capital expenditure;
- (iii) Decrease in assets held for sales by approximately \$11.7 million to \$26.7 million as at 31 December 2025 was due to sale of a unit in Tuas South 11;
- (iv) Decrease in amount due from related parties by approximately \$6.9 million to \$9.0 million as at 31 December 2025 was mainly due to the repayment of approximately \$7.5 million from a joint venture;

The decrease was partially offset by:

- (v) Increase in trade and other receivables by approximately \$27.1 million to \$68.7 million as at 31 December 2025 was mainly due to the increase in trade receivables and increase in retention sum receivables as reclassification of retention sum receivables for completed projects due within 12 months to current assets;
- (vi) Increase in inventories by \$5.3 million to \$9.0 million as at 31 December 2025 was mainly due to higher inventories balance as at the period end;
- (vii) Increase in contract assets by approximate \$9.7 million to \$56.5 million as at 31 December 2025 was mainly due to timing between revenue recognition and actual billing for mainly construction projects.

Non-current liabilities

Non-current liabilities decreased by approximately \$28.0 million from \$38.4 million as at 31 December 2024 to \$10.4 million as at 31 December 2025. The decrease in non-current liabilities was mainly due to decrease in trade and other payables due to reclassification of retention sum payables for completed projects;

Loan and borrowings has decreased by approximately \$1.5 million to \$6.8 million as at 31 December 2025 that due to reclassification of borrowings due within 12 months to current liabilities.

Current liabilities

Current liabilities decreased by approximately \$6.2 million from \$292.2 million as at 31 December 2024 to \$298.4 million as at 31 December 2025. The decrease in current liabilities was mainly due to:

- (i) Decrease in contract liabilities by approximately \$35.8 million to \$17.4 million as at 31 December 2025 mainly due to decrease in the excess of progress billing over construction revenue of certain projects over the period under review.
- (ii) Decrease in current tax payable by approximately \$2.0 million to \$2.4 million as at 31 December 2025 was mainly due to overprovision land assessment tax for Tranquillity products.

The decrease was partially offset by trade and other payables by approximately \$47.3 million to \$190.4 million as at 31 December 2025 that due increase in accrued trade payables for completed projects.

Negative Working Capital Position

Notwithstanding that the Group recorded a net loss attributable to owners of the Company of \$14.1 million for the financial year ended 31 December 2025, and as of that date, the Group's and the Company's current liabilities exceeded its current assets by \$25.9 million and \$49.2 million respectively, the Board of Directors of the Company believes that the use of the going concern assumption in the preparation of the condensed consolidated interim financial statements for the year ended 31 December 2025 is appropriate after taking into consideration the following factors:

- a) Management has prepared a month-to-month cash flows forecast for the Group for the next 12 months from the date of these interim financial statements and assessed that there will be sufficient financial resources to allow the Group to continue its operations and meet its obligations due within the next 12 months from the date of these interim financial statements.

The cash flows forecast has considered the projected operating cash inflows from the construction projects including new construction projects that the Group is actively pursuing, the expected recoveries from VOs claims, ex-gratia claims, and reliefs under the COTMA. Management has also anticipated positive outcomes from ongoing final account negotiations with customers, suppliers, and sub-contractors, which are expected to further strengthen the Group's cash position;

- b) the Group is continuing its ongoing and active marketing efforts to dispose its properties held-for-sale, namely, the Fan Yoong Property and the Pontian Land Parcels and expects to conclude the disposal within the next 12 months from the date of these interim financial statements;

- c) As at 30 January 2026, one of the construction subsidiaries, Tiong Seng Contractors (Private) Limited, (the ‘subsidiary’) entered into an amendment and restatement agreement with its existing lenders and restructured the remaining balance under its existing \$90 million loan facility. The details of the existing \$90 million loan facility were disclosed in the Company’s announcement dated 6 February 2025. Under this restated facility agreement,
- (i) the repayment of a portion of the existing loans, amounting of \$21.0 million, has been extended from 31 December 2025 to 30 June 2026;
 - (ii) there is a project credit facility available for \$24.0 million to finance both the existing and new construction projects, with the final repayment date in November 2027;
 - (iii) there is a bridging loan of \$30.0 million for working capital purpose, with the repayment date in December 2026.

Management believes that with the above loan facility arrangement, the Group is able to meet its short-term obligations as and when they falls due.

- d) the continuous support from the lenders to roll over the group’s revolving credits, which are secured by the Group’s properties.

The Company will continue to prudently monitor its cash flow to meet its operational needs as well as to service its debt obligations as and when they fall due. The Board will provide updates to shareholders via SGXNET as and when there are material developments on the aforementioned.

Accordingly, the Board confirmed that all material information has been fully disclosed by the Group to enable trading to continue on an informed basis.

Review of Statement of Cash Flows

Net cash used in operating activities

Net cash outflow from operating activities was approximately \$32.7 million mainly attributable to the movement in working capital of the Group.

Net cash generated from investing activities

Net cash inflow from investing activities was approximately \$14.2 million in FY2025, which was primarily due to the repayment of loan from a joint venture of \$7.5 million and proceeds from disposal of assets held for sales of \$10.2 million, which was partially offset by purchase of property, plant and equipment of \$3.9 million.

Net cash used in financing activities

Net cash outflow from financing activities was approximately \$5.4 million in FY2025, which was primarily due to net repayment borrowing of \$5.2 million and payments of lease liabilities \$2.1 million partially offset by proceeds from issue share capital \$1.9 million.

6. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's FY2025 results are in line with the Company's profit guidance released on 16 February 2026.

7. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Outlook and Strategy

Construction

As the Construction Segment (under Tiong Seng Contractors (Private) Limited; TSC) had delivered the main bulk of its legacy contracts in FY2024, there was an expected decrease in construction revenue contribution for FY2025 as a majority of contracts reached the tail end following the completion of works.

Additionally, new construction contracts typically see a lower volume of work at the earlier stages of the contractual period, before ramping up as the Projects reach the middle segment of its contractual period. Newer contracts secured by TSC in the last quarter of 2024 have contributed as expected in 2025, and have started to see a ramp up in construction volume towards the end of 2025. TSC's order book extends to FY2027, with a huge capacity to grow further.

Of the operating loss of \$29.1 million, TSC recognised gross loss of \$9 million, and remaining other operating cost of \$20 million.

Of the project loss of \$9 million, \$12 million was attributable to the slower than expected completion of works for its final 2 legacy projects and \$13 million associated with the VOs costs, offset by the profits from other projects of \$16 million.

Approximately 38% of the \$12 million project loss from the abovementioned 2 legacy projects is attributed to increased staff costs, while 62% is due to increased sub-contracting costs needed for ensuring successful TOPs.

With the successful completion of its legacy projects, TSC has taken a disciplined approach to reduce its operating costs. Firstly, non-core assets have been placed on a disposal programme to generate operating cash flow. In FY2025, a leased factory in Tuas South was sold for \$10.5 million, resulting in a \$1.9 million accounting loss. TSC still holds 2 other non-core properties for sale, namely a built-up industrial building located at Fan Yoong Road and an undeveloped piece of land in Pontian, Malaysia. The disposal of such non-core assets will allow TSC to continue paring down its banking loans over time, further reducing financing costs.

Secondly, TSC has focused on building a lean core group of staff and workers for its ongoing new contracts in FY2025. TSC has retained enough of such staff and workers that will allow it to confidently secure new contracts going forward as well.

The Building and Construction Authority (“BCA”) projects Singapore's total construction demand to remain robust, averaging between \$39 billion and \$46 billion annually from 2026 to 2029. TSC is in a good position, with a renewed capacity to hunt and secure good projects. The Management Team is committed to strengthen its order book in a prudent manner, while ensuring margins are not sacrificed in the pursuit of growth.

Engineering Solutions

The Engineering Solutions Segment (under Tiong Seng Engineering Solutions Pte Ltd; TSES) remains a bright spot for the Group, as it continues to remain profitable in FY2024 and FY2025. Largely driven by the Precast Business (under Robin Village Development Pte Ltd; RVD). TSES contributed \$2.2 million in operating profit for FY2025.

RVD has and continues to underpin the growth and profitability of TSES, contributing an order book of \$218 million ending in FY2028. While the Precast demand remains buoyant, RVD remains disciplined in managing its overheads and will strengthen its operating efficiency over time. With over 80% of its order book secured outside of the Group’s Construction Segment, RVD has successfully diversified its client base with a more resilient order book. RVD has also made inroads in securing projects overseas (e.g. in Ghana), with the overseas markets remaining a further area of growth to explore.

The Structural Steel & Timber Business (under Steeltech Industries Pte Ltd; Steeltech) and the Mechanical & Engineering Business (under AMP Singapore Pte Ltd; AMP) contributed lower-than-expected returns in FY2025 as their order books are still dependent on internal Group opportunities through TSC projects. TSES intends to rollout a similar playbook that has worked for RVD for its other Subsidiaries to capture new and synergistic opportunities.

Property Development

Operating profit for the Group’s Property Segment (under Tiong Seng Chang De Investments Pte Ltd; TSCDI) improved to S\$0.1 million in FY2025. This was largely due to a S\$13.3 million compensation received for the reacquisition of state-owned land and buildings in Zizhulin, Tianjin.

TSCDI remains operational in Tianjin, China, with a successful ground-breaking to mark the construction of its primary medical care facility in September 2025. Despite the uncertainty over the residential market in Tianjin, there has been a warm reception for TSCDI’s Silvercare business model by local authorities and investors. TSCDI aims to leverage the interest of its Silvercare approach to enhance the value of its existing stock, and to further aid the sales momentum in FY2026.

Digital Solutions

The Group’s Digital Solutions (under PylonAI Pte Ltd; Pylon) has been nurtured since 2022, and now provides Precast Tracking Solutions as well as Real-time Worker Location Data for the Group’s Businesses as well as other Contractors in Singapore. While modestly growing, it represents the Group’s big bet for the future, as digital and AI solutions continue to capture the attention of Singapore’s growth strategies. The Group will continue to leverage its Construction and Engineering know-how to create value-added solutions under Pylon as it continues its growth trajectory.

Order Book

The Group's order book as at 31 December 2025 stood at approximately \$494 million were derived from total contract value after deducting certified work done which is expected to extend till 2028.

8. If a decision regarding dividend has been made:

(a) Current Financial Period Reported On:

Any dividend declared for the current financial period reported on? - No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? - No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

9. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial year ended 31 December 2025. The Board of Directors of the Company deems it appropriate to conserve cash for the Group's working capital.

10. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as require under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Pursuant to Rule 920(1)(a)(ii), the following interested person transactions were entered into during the financial period ended 31 December 2025.

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		2H2025	FY2025	2H2025	FY2025
		\$'000	\$'000	\$'000	\$'000
Hiring charges					
Peck Tiong Choon Transport (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	-	-	853	1,946
Peck Tiong Choon Logistic (Pte) Ltd	Subsidiary of Controlling Shareholder, Peck Tiong Choon (Private) Limited	-	-	1	1
Total		-	-	854	1,947
Total Transactions with associates of a Controlling Shareholder		-	-	854	1,947
Proceeds from supplies of construction worker and materials					
Pek Lian Guan	Director	137	137	-	-
Consultancy fees					
G&T Multitask (Private Limited) [#]	Associate of Director, Pek Lian Guan	-	500	-	-
Proceeds from sales of tiles					
Pek Zhi Xuan	Associate of Director, Pek Lian Guan	3	3	-	-
Total Transactions with Associates of a Director		3	503	-	-

[#] The Company appointed Mr Pek Lian Guan (“**Mr Pek**”), a former employee of the Company, as a consultant of the Group in May 2022. The intent is to avail the Group of Mr Pek’s knowledge in three main areas: strategic growth advisory, executive coaching for senior management, and digital transformation advisory services.

The Board considered the appointment of Mr Pek as consultant, having taken independent advice from relevant third-party advisors regarding the suitability of Mr Pek for the roles, the quantum of the consultancy fees payable, and the methodology and governance framework of implementing such an agreement. The Audit Committee and the Board were satisfied from the findings and advice of the third-party advisors that the consultancy agreement with Mr Pek was entered into on an arm’s length basis and is not prejudicial to the interests of the Company and its minority shareholders. Accordingly, the Audit Committee and the Board approved the proposal for Mr Pek to provide consultancy services to the Group. Mr Pay Sim Tee (who is a cousin of Mr Pek) and Mr Pek Zhi Kai (who is the son of Mr Pek) abstained from voting in the process of making this decision.

Mr Pek renders the consultancy services through G&T Multitask (Private Limited) which is 100% owned by Mdm Ong Geok Toe (who is the spouse of Mr Pek and the mother of Executive Director Mr Pek Zhi Kai). Accordingly, the consultancy agreement constitutes an interested person transaction.

Mr Pek Lian Guan was appointed as an Executive Director and the Chief Executive Officer of the Company with effect from 5 August 2025 and the aforesaid consultancy agreement was terminated with effect from the same date

11. A breakdown of sales and profit before tax.

	FY2025	FY2024	Increase / (Decrease) %
	\$'000	\$'000	
Sales reported for first half year	119,252	248,660	(52)
Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	(20,693)	5,050	N.M.
Sales reported for second half year	181,812	287,763	(37)
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(13,813)	(2,220)	>100

12. Persons Occupying Managerial Positions Pursuant to Rule 704(13)

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Pek Lian Guan	62	Brother of Pek Dien Kee (Head of Asset Management). Cousin of Pay Sim Tee (Executive Director). Uncle of Ong Chun Tiong (General Manager for the Group's subsidiaries in PRC), Father of Pek Zhi Kai (Executive Director)	Executive Director and Chief Executive Officer ("CEO") of Tiong Seng Holdings Ltd (the "Company") since 5 August 2025	Mr Pek is now reappointed as Executive Director & CEO
Pay Sim Tee	76	Cousin of Pek Lian Guan (Executive Director & CEO), Pek Dien Kee (Head of Asset Management) and Pay Teow Heng (Project Director) Uncle of Pek Zhi Kai (Executive Director) and Ong Chun Tiong (General Manager for the Group's subsidiaries in PRC)	Executive Director of the Company since 2010	Not Applicable

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Pek Zhi Kai	36	Eldest son of Pek Lian Guan (Executive Director & CEO) Nephew of Pay Sim Tee (Executive Director)	Executive Director of the Company since July 2021	Not Applicable
Pek Dien Kee	73	Brother of Pek Lian Guan (Executive Director & CEO). Cousin of Pay Sim Tee (Executive Director). Uncle of Pek Zhi Kai (Executive Director)	Head of Asset Management since 2010	Not Applicable
Pay Teow Heng	58	Cousin of Pek Lian Guan (Executive Director and CEO) and Pay Sim Tee (Executive Director). Uncle of Pek Zhi Kai (Executive Director)	Project Director of the Company since 2025	Not Applicable
Ong Chun Tiong	54	Nephew of Pek Lian Guan (Executive Director & CEO) and Pay Sim Tee (Executive Director), Cousin of Pek Zhi Kai (Executive Director)	General Manager for the Group's subsidiaries in PRC since 2004	Not Applicable

13. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that undertakings have been procured from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Pek Lian Guan
Executive Director and CEO
27 February 2026